

Assembly Bill No. 3030

Passed the Assembly August 12, 2008

Chief Clerk of the Assembly

Passed the Senate August 5, 2008

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2008, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 53756 to the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 3030, Brownley. Local publicly owned water utility: rate cases.

Articles XIII C and XIII D of the California Constitution generally require that assessments, fees, and charges be submitted to property owners for approval or rejection after the provision of written notice and the holding of a public hearing. Existing law, the Proposition 218 Omnibus Implementation Act, prescribes specific procedures and parameters for local jurisdictions to comply with Articles XIII C and XIII D of the California Constitution. Existing law provides notice, protest, and hearing procedures for the levying of new or increased fees and charges by local government agencies pursuant to Articles XIII C and XIII D of the California Constitution.

This bill would authorize an agency providing water, sewer, or refuse collection service to adopt a schedule of fees or charges that authorize automatic adjustments that pass through increases in wholesale charges for water or adjustments for inflation, if prescribed conditions are met, including, but not limited to, that the schedule of fees or charges not exceed a period of 5 years and that the schedule be adopted pursuant to existing law providing notice, protest, and hearing procedures for the levying of new or increased fees and charges by local government agencies.

The people of the State of California do enact as follows:

SECTION 1. Section 53756 is added to the Government Code, to read:

53756. An agency providing water, sewer, or refuse collection service may adopt a schedule of fees or charges authorizing automatic adjustments that pass through increases in wholesale charges for water or adjustments for inflation, if it complies with all of the following:

(a) It adopts the schedule of fees or charges for a property-related service for a period not to exceed five years pursuant to Section 53755.

(b) The schedule of fees or charges may include a schedule of adjustments, including a clearly defined formula for adjusting for inflation. Any inflation adjustment to a fee or charge for a property-related service shall not exceed the cost of providing that service.

(c) The schedule of fees or charges for an agency that purchases wholesale water from a public agency may provide for automatic adjustments that pass through the adopted increases or decreases in the wholesale charges for water established by the other agency.

(d) Notice of any adjustment pursuant to the schedule shall be given pursuant to subdivision (a) of Section 53755, not less than 30 days before the effective date of the adjustment.

Approved _____, 2008

Governor